

Exhibit M
to the Declaration of Lisa J. Cisneros
in Support of Plaintiffs' Opposition
Briefs

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

IN RE: HIGH-TECH EMPLOYEE)
ANTITRUST LITIGATION)
) No. 11-CV-2509-LHK
THIS DOCUMENT RELATES TO:)
ALL ACTIONS.)
)

HIGHLY CONFIDENTIAL
VIDEO DEPOSITION OF PATRICK BURKE
February 26, 2013

REPORTED BY: GINA V. CARBONE, CSR NO. 8249, RPR, CCRR

10:12:16 1 and source candidates for us.

10:12:17 2 Q. Well, were there -- were there particular types
10:12:20 3 of research they did or data they gathered?

10:12:24 4 MR. TUBACH: Lacks foundation.

10:12:27 5 THE WITNESS: No. I mean, it's a broad
10:12:30 6 description of service that they provided.

10:12:39 7 MR. SAVERI: Q. I asked you a few minutes
10:12:41 8 ago about the -- about your role with respect to
10:12:48 9 placing new hires in the salary structure. Let me
10:12:50 10 ask some more questions about that.

10:12:53 11 A. Sure.

10:12:55 12 Q. So as a general matter, when Apple determined
10:12:59 13 that it needed to fill a certain job, who decided what
10:13:06 14 the salary range for that job would be?

10:13:09 15 MR. TUBACH: Lacks foundation. Calls for
10:13:09 16 speculation.

10:13:12 17 THE WITNESS: For a particular candidate that
10:13:14 18 we were hiring?

10:13:15 19 MR. SAVERI: Q. Yes.

10:13:16 20 A. The hiring manager was the ultimate decision,
10:13:19 21 and recruiters and HR representatives would help and
10:13:26 22 influence.

10:13:27 23 Q. Well, was it generally the practice that a
10:13:32 24 range was established for a particular job that needed
10:13:37 25 to be filled?

10:13:39 1 A. No.

10:14:01 2 Q. So during your time, you hired or recruited
10:14:09 3 engineers, correct?

10:14:11 4 A. That's all I did. Yes.

10:14:12 5 Q. Now, for any particular engineering candidate,
10:14:16 6 how was the salary range established for that potential
10:14:21 7 candidate?

10:14:21 8 MR. TUBACH: Objection. Asked and answered.
10:14:23 9 Lacks foundation.

10:14:25 10 THE WITNESS: It wasn't a salary range
10:14:28 11 determined, it was what salary we were going to offer.

10:14:33 12 MR. SAVERI: Q. Okay.

10:14:33 13 A. And how that was determined was mostly asking
10:14:37 14 the hiring manager who they compared to in the team,
10:14:40 15 looking at the candidate's education, experience, and
10:14:44 16 knowledge within that experience, and comparing that to
10:14:48 17 different people on their team. And those were the
10:14:52 18 biggest deciphering things.

10:14:54 19 Now, each person on their team that they
10:14:57 20 compared to were at particular levels and titles and,
10:15:03 21 you know, levels within the salary ranges. And that's
10:15:05 22 more what determined it.

10:15:07 23 And then sometimes, depending on where -- the
10:15:09 24 number that we determined for a particular candidate, we
10:15:13 25 would look where it falls in with a particular salary

10:15:15 1 range, was that comfortable. There were certain
10:15:19 2 guidelines that they didn't want to be too high of one
10:15:22 3 particular one, or too low, and that's where kind of
10:15:25 4 sometimes HR would get involved to do it. But it was
10:15:28 5 generally guided by other people on the team and how
10:15:31 6 they compared to them.

10:15:34 7 MR. SAVERI: Q. As part of that process --
10:15:35 8 well, strike that.

10:15:40 9 When was the system title for a particular
10:15:46 10 candidate or new hire established?

10:15:49 11 A. At that time.

10:15:50 12 Q. Okay.

10:15:51 13 A. So it's -- we -- in the recruiting system, when
10:15:56 14 we opened a position, we would open it up at -- there is
10:16:01 15 two levels, say it was a two and a three. But we had,
10:16:05 16 you know, kind of flexibility to, hey, if we're hiring
10:16:08 17 and we determined that the salary range what we were
10:16:10 18 figuring that would be a four, we could change that in
10:16:14 19 the system and make that happen.

10:16:16 20 Q. And who had to approve that change, just
10:16:19 21 organizationally? Was it Tony Fadell? Was it someone
10:16:23 22 in the HR department? Was it you?

10:16:25 23 A. There was no approving of the change, it was
10:16:27 24 approving of the offer.

10:16:28 25 Q. Okay.

10:16:28 1 A. So it was once we determined with the hiring
10:16:30 2 manager, we would make that change in the system, but
10:16:33 3 then that would be -- we would make the offer, put
10:16:34 4 that -- those numbers and everything to it, and put that
10:16:37 5 up through the management chain, which included Tony
10:16:41 6 Fadell and the iPod division.

10:16:44 7 But that's how it was for any of the divisions
10:16:47 8 in Apple that I was involved with.

10:16:57 9 Q. As a general matter, who communicated to the
10:16:59 10 candidates regarding compensation packages?

10:17:03 11 A. Mostly the recruiter.

10:17:04 12 Q. So sometimes it was you?

10:17:06 13 A. Yes.

10:17:07 14 Q. And then sometimes it was the recruiters that
10:17:09 15 you supervised?

10:17:10 16 A. Yes. And then sometimes, you know, every once
10:17:12 17 in a while it was a hiring manager.

10:17:20 18 Q. So did you ever make recommendations regarding
10:17:22 19 base salary for particular candidates?

10:17:25 20 A. Yes.

10:17:26 21 Q. And what were -- what were those
10:17:29 22 recommendations generally based on? Those same criteria
10:17:32 23 that we've been --

10:17:34 24 A. What salary they were currently at, what salary
10:17:36 25 they were looking for, what competing offers were. But

10:17:42 1 it was always determined by how they compared to other
10:17:46 2 people. And then if that didn't quite match up with
10:17:48 3 their expectations, I'd advise kind of the hiring
10:17:52 4 manager do we want to push that up a little higher. If
10:17:56 5 their expectations were higher, do we want to push that
10:17:58 6 higher or a hiring bonus to make up the difference.

10:18:02 7 Those were some of the components that we would do.

10:18:08 8 Basically advise. Advise on what makes sense,
10:18:11 9 what we call internally, versus what will close the
10:18:18 10 deal.

10:18:18 11 Q. I think you said a few seconds ago that when
10:18:21 12 you did that, one of the things you looked at was -- or
10:18:25 13 what you tried to do was compare the candidate you were
10:18:30 14 talking to to other people?

10:18:34 15 A. Other engineers at similar levels on the team,
10:18:37 16 yes.

10:18:37 17 Q. That's what I wanted to get. When you said
10:18:39 18 other people, were you talking about other people at
10:18:41 19 Apple?

10:18:42 20 A. Yes.

10:18:43 21 Q. When you were determining yourself, or making a
10:18:46 22 recommendation on salary, did you also look at
10:18:51 23 information or data regarding compensation outside the
10:18:55 24 company?

10:18:56 25 A. No.

10:18:56 1 Q. I mean, for example, did you look at what they
10:18:58 2 were making before at their other company?

10:19:03 3 MR. TUBACH: Vague and ambiguous.

10:19:03 4 You mean what the prospective employee was
10:19:06 5 making --

10:19:06 6 MR. SAVERI: Yes.

10:19:07 7 MR. TUBACH: -- at his current job?

10:19:08 8 THE WITNESS: I would ask the candidate what
10:19:10 9 their current compensation was. For the most part they
10:19:12 10 shared that, sometimes they did not.

10:19:14 11 MR. SAVERI: Q. Did you also consider what
10:19:16 12 the market was for particular skill sets,
10:19:23 13 qualifications, with respect to the people you were
10:19:27 14 recruiting?

10:19:27 15 A. That's a broad statement. It was probably more
10:19:30 16 driven by competing offers.

10:19:32 17 Q. Okay.

10:19:33 18 A. Either of that particular candidate or similar
10:19:37 19 candidates.

10:19:38 20 Q. So are you aware that there are companies that,
10:19:40 21 for example, do compensation surveys of the market?

10:19:50 22 A. Yes.

10:19:51 23 Q. I mean, for example, have you heard the name
10:19:53 24 Croner?

10:19:55 25 A. No.

10:19:55 1 Q. Or Radford?

10:19:56 2 A. Yes.

10:19:57 3 Q. Okay. And have you seen Radford surveys from
10:20:00 4 time to time?

10:20:01 5 A. No.

10:20:01 6 Q. Did you ever use Radford Survey data, or other
10:20:06 7 similar data, regarding levels of compensation in the
10:20:11 8 market in doing your job with respect to recommending
10:20:15 9 compensation for particular candidates?

10:20:20 10 A. Never.

10:20:20 11 Q. So in terms of comparison, is it fair to say
10:20:22 12 that when you were making recommendations, you tried to
10:20:30 13 make a comparison of the candidate you were talking to
10:20:33 14 to other people at Apple?

10:20:35 15 MR. TUBACH: Objection. Asked and answered.

10:20:37 16 THE WITNESS: Compared the candidate to the
10:20:40 17 people at Apple on the team that we were hiring them in.

10:20:45 18 MR. SAVERI: Q. When you made a
10:20:47 19 recommendation, did you consider whether or not this
10:20:57 20 new candidate was going to be getting paid more for
10:21:03 21 a similar job than people who were already at Apple?

10:21:08 22 MR. TUBACH: Vague and ambiguous.

10:21:08 23 THE WITNESS: Yes, can you....

10:21:11 24 MR. SAVERI: Q. Well, was one of your
10:21:12 25 concerns that you didn't want -- when you were

10:21:14 1 hiring a new candidate and you were talking about
10:21:16 2 compensation, when you wanted to get that right, did
10:21:20 3 you think about whether or not you were -- you were
10:21:24 4 going to pay a candidate more than someone else who
10:21:27 5 was already at Apple doing a similar job?

10:21:30 6 MR. TUBACH: Same objection.

10:21:33 7 THE WITNESS: That was a determining factor,
10:21:35 8 but it was, again, more about how they compared to those
10:21:39 9 people. And so the hiring manager would usually not
10:21:43 10 want to pay more than a person with similar or more
10:21:49 11 experience at Apple.

10:21:51 12 So we called it internal equity or fair
10:21:54 13 compensation. And we would want to kind of keep it fair
10:21:58 14 to the team on board. Just because this person was
10:22:00 15 asking for more money than someone with similar
10:22:06 16 experience on the team didn't mean we just gave it to
10:22:09 17 him. We would keep it fair to the people, and sometimes
10:22:13 18 we would use a hiring bonus as a differentiator to close
10:22:18 19 a deal.

10:22:21 20 MR. SAVERI: Q. Okay. How important did
10:22:39 21 you think recruiting was to the success of Apple?

10:22:41 22 MR. TUBACH: Vague and ambiguous. Lacks
10:22:43 23 foundation.

10:22:45 24 THE WITNESS: Very important.

10:22:49 25 MR. SAVERI: Q. Why was it very important?

10:22:51 1 MR. TUBACH: Same objections.

10:22:56 2 THE WITNESS: Growth of the business. We
10:22:59 3 needed people to -- more engineers to make their
10:23:04 4 products of the ideas that they came up with. Steve
10:23:07 5 Jobs thought it was -- you know, he would mention that
10:23:11 6 40 percent of his time was recruiting, whatever that
10:23:16 7 meant.

10:23:16 8 MR. SAVERI: Q. Well, a hundred percent of
10:23:18 9 yours was, right?

10:23:18 10 A. Yes. But it was always good to have someone at
10:23:21 11 the -- as a leader that thinks that recruiting, you
10:23:24 12 know, your job, is important.

10:23:27 13 Q. Well, okay. Did you understand that Mr. Jobs
10:23:32 14 had a personal commitment to recruiting top talent to
10:23:37 15 Apple?

10:23:39 16 A. I don't know. I'm assuming so by saying 40
10:23:40 17 percent of his time was spent on recruiting.

10:23:43 18 Q. Well, did you understand, yourself, that your
10:23:45 19 job, with respect to recruiting top talent to Apple, was
10:23:48 20 very important to the company?

10:23:51 21 MR. TUBACH: Lacks foundation.

10:23:52 22 THE WITNESS: I personally thought that, yes.

10:24:02 23 MR. SAVERI: Q. Did you ever talk with
10:24:03 24 Mr. Jobs about that subject?

10:24:04 25 A. Never talked to him.

10:24:06 1 Q. You never talked to him?

10:24:07 2 A. No.

10:24:10 3 Q. Just so I'm clear, you never spoke to Steve

10:24:12 4 Jobs in your life?

10:24:13 5 A. No.

10:24:14 6 Q. Okay. Did you ever communicate to him in

10:24:16 7 writing?

10:24:20 8 A. No.

10:24:22 9 Q. Did you ever go to meetings or participate in

10:24:26 10 kind of group circumstances where Steve Jobs addressed

10:24:35 11 people at Apple or communicated his thoughts about the

10:24:37 12 company?

10:24:38 13 A. Yes.

10:24:38 14 Q. During any of those, did he talk about the

10:24:40 15 importance of recruiting top talent to the company --

10:24:42 16 A. Yes.

10:24:42 17 Q. -- that you recall.

10:24:44 18 What did he say about that?

10:24:45 19 A. I can't recall. Something along those lines

10:24:47 20 of -- that it's important to recruit top talent. But I

10:24:51 21 don't remember any specific statements.

10:24:53 22 Q. But you do remember him, at least on one

10:24:57 23 occasion, talking to people internal at Apple about how

10:25:00 24 important recruiting top talent was to the company?

10:25:03 25 A. Uh-huh.

10:25:03 1 Q. Did you ever hear him talk about how concerned
10:25:10 2 or -- how concerned he was or how important it was to
10:25:13 3 Apple that Apple retain top talent?

10:25:15 4 A. No.

10:25:16 5 Q. Okay.

10:25:44 6 (Discussion off the record.)

10:25:46 7 (Whereupon, Exhibit 1015 was marked for
10:25:46 8 identification.)

10:25:47 9 MR. SAVERI: Q. So Mr. Burke, if you need
10:25:49 10 to take a break at any time, let me know. Otherwise
10:25:52 11 I'm going to keep going and try to get this done as
10:25:56 12 soon as possible.

10:25:56 13 A. Go until my water is up.

10:25:59 14 Q. Let me hand you what's been marked as
10:26:02 15 Exhibit 1015. And this is a document that has Bates
10:26:14 16 numbers, which are the little numbers in the corner, of
10:26:17 17 231APPLE055897 to 99.

10:26:35 18 And Mr. Burke, if you take a moment to look at
10:26:37 19 it, I'm going to just ask you about the portion of the
10:26:42 20 document that looks like something you wrote. It's a
10:26:44 21 little bit weird because it looks like this document
10:26:47 22 kind of repeats the same thing in two places. And maybe
10:26:52 23 the easiest way to do this is just to look at what's on
10:26:55 24 the last page.

10:26:56 25 A. Uh-huh.

11:53:54 1 Q. From Bruce Arthur?

11:53:56 2 A. Uh-huh.

11:53:57 3 Q. Subject Re: Microsoft looking for iChat

11:54:04 4 contact. To Patrick Burke. Do you see that?

11:54:06 5 (Reporter clarification.)

11:54:06 6 THE WITNESS: Yes.

11:54:08 7 MR. SAVERI: Q. Is this an email that you

11:54:11 8 received from Mr. Arthur on or about this date?

11:54:16 9 MR. TUBACH: Lacks foundation.

11:54:16 10 THE WITNESS: I'm assuming. I'm assuming from

11:54:17 11 this printout, yes.

11:54:20 12 MR. SAVERI: Q. Now, next to your name

11:54:21 13 there is an email address. Do you see that?

11:54:23 14 A. Yes.

11:54:25 15 Q. Pburke@apple.com?

11:54:28 16 A. Yes.

11:54:28 17 Q. Was that the email address you used?

11:54:30 18 A. Yes, that is me.

11:54:31 19 Q. And did you ever have a different email

11:54:33 20 address --

11:54:33 21 A. No.

11:54:34 22 Q. -- while you were at Apple?

11:54:35 23 A. No, I did not.

11:54:36 24 Q. Now, what was Mr. Arthur's job at this time?

11:54:39 25 A. He was engineering manager for iChat, which was

11:54:44 1 an application in OS10.

11:54:46 2 Q. During this period of time, were you supporting
11:54:50 3 Mr. Arthur with respect to recruiting?

11:54:52 4 A. Yes.

11:54:57 5 Q. Now, it's a little bit hard to tell from the
11:55:07 6 way this is printed, but it looks like his email to you
11:55:13 7 includes some prior communication from you to him. Do
11:55:17 8 you see that?

11:55:18 9 A. Yes.

11:55:19 10 Q. So I think if you look at the kind of second
11:55:26 11 caret it begins "Bruce." Do you see that?

11:55:27 12 A. Yes.

11:55:28 13 Q. It says, "Bruce, would we want to raid this
11:55:31 14 group." Do you see that?

11:55:32 15 A. Yes.

11:55:33 16 Q. Did you write that to him?

11:55:35 17 A. I'm assuming so, yes.

11:55:36 18 Q. What did you mean by "raid this group"?

11:55:38 19 MR. TUBACH: Lacks foundation.

11:55:39 20 THE WITNESS: Recruit from them.

11:55:43 21 MR. SAVERI: Q. Why did you use the term
11:55:48 22 "raid"?

11:55:49 23 MR. TUBACH: Lacks foundation.

11:55:52 24 THE WITNESS: That's a slang word for go
11:55:55 25 infiltrate and recruit from one particular group.

11:55:59 1 MR. SAVERI: Q. Now, how --

11:56:04 2 A. And to clarify that, I'm not sure what is going
11:56:08 3 on there where they're talking about -- when Bruce is
11:56:12 4 talking about released contractors. So I'm making an
11:56:14 5 assumption that there was some sort of event that
11:56:16 6 happened in this particular group where they were
11:56:19 7 letting people go or there is some sort of weakness.
11:56:22 8 That they weren't doing well or something.

11:56:25 9 That's usually when I talk about raid. Is
11:56:27 10 there is some weakness in a group. And rather than just
11:56:30 11 going after one engineer and hopefully to get them out,
11:56:32 12 if there is weakness in a group, you go after, you start
11:56:36 13 calling everybody, and hopefully everybody is, yeah, I
11:56:38 14 hate this place, let's go. Right? So that's usually
11:56:40 15 why I would use that terminology.

11:56:43 16 Q. So were there occasions when you found or
11:56:46 17 identified particular companies where -- that -- where
11:56:50 18 those -- where there were those circumstances?

11:56:53 19 A. Yes.

11:56:53 20 Q. And did you view that as a particular kind of
11:56:57 21 opportunity for you with respect to recruiting?

11:57:00 22 A. Oh, yeah.

11:57:02 23 Q. Was it the kind of thing that you tried to
11:57:04 24 identify?

11:57:07 25 A. Identify. Yeah, I guess. As your -- you know,

12:07:15 1 my job.

12:07:20 2 MR. SAVERI: Q. So you don't have any
12:07:33 3 disagreement with the idea that this kind of attack
12:07:40 4 on a company was or could be aggressive?

12:07:47 5 A. Uh-huh.

12:07:51 6 Q. And it's fair to say that that was part of your
12:07:57 7 job, to do that on behalf of Apple?

12:07:59 8 A. Yes.

12:08:00 9 Q. Now, you write to him, "I promise I won't rat
12:08:05 10 you out as we raid their company."

12:08:11 11 What did you mean by, "I promise I won't rat
12:08:13 12 you out"?

12:08:14 13 A. There is a point when you call a candidate,
12:08:18 14 especially a cold call, how did you hear about my name,
12:08:21 15 they'll ask you.

12:08:22 16 Q. Right.

12:08:23 17 A. So, oh, yeah, Floyd Clark gave me your name.
12:08:27 18 That's basically what I'm saying is I'm not going to
12:08:29 19 mention you.

12:08:31 20 Q. So you -- is it fair to say that you were
12:08:34 21 telling Floyd Clark that you were agreeing to kind of
12:08:37 22 protect the confidentiality of that source?

12:08:41 23 A. Yes.

12:08:42 24 Q. When you say, "I'm sure they'll ask me," you
12:08:46 25 are referring to the potential candidates that you

12:08:51 1 planned on calling?

12:08:51 2 A. Yes.

12:09:00 3 Q. Now, when you were at Apple, do you recall
12:09:03 4 ever -- a situation where you felt Apple was being
12:09:11 5 raided or attacked by other companies with respect to
12:09:14 6 recruiting?

12:09:16 7 A. Just when I heard from engineers that they were
12:09:21 8 getting called by recruiters, I remember Google at one
12:09:27 9 point calling in to a hardware team, which I always
12:09:31 10 thought was strange for a software company.

12:09:33 11 Q. Right.

12:09:33 12 A. And kind of tipped our hand of what they were
12:09:36 13 getting into. And then those two people rusing into the
12:09:44 14 iPod engineering team. Those were the instances that I
12:09:46 15 remember.

12:09:47 16 And just to -- and engineering management would
12:09:55 17 say, can you do something about it. And my response
12:09:58 18 would be, like, no. That's what recruiters are supposed
12:10:01 19 to do, is you need to make sure your employees are happy
12:10:05 20 and, you know, and challenged and, you know, can resist
12:10:12 21 a recruiting phone call.

12:10:13 22 Q. So were you asked, time to time, to do
12:10:16 23 something about these -- about particular situations
12:10:18 24 where other companies attacked Apple?

12:10:20 25 A. Uh-huh. Yes.

12:10:23 1 Q. And -- but you were a recruiter. It wasn't
12:10:26 2 part of your job to deal with that, right?

12:10:29 3 A. They just thought I could -- I would know
12:10:32 4 somebody over there and tell them to stop. And it was
12:10:35 5 just kind of naive for them to ask the question, so I'd
12:10:39 6 just go, "No."

12:10:41 7 Q. They thought you were the sheriff and you could
12:10:43 8 call over there, make them stop or something like that?

12:10:45 9 A. Yes.

12:10:45 10 Q. But you couldn't do that?

12:10:47 11 A. No one could.

12:10:48 12 Q. It wasn't part of your job?

12:10:49 13 A. No. But no one can. That's -- no one could
12:10:52 14 ask me to stop recruiting.

12:10:53 15 Q. And they couldn't ask you to stop?

12:10:55 16 A. No.

12:10:58 17 Q. Now, do you recall when Palm hired a couple of
12:11:15 18 prominent engineers at Apple?

12:11:16 19 A. Uh-huh.

12:11:25 20 Q. What was the -- do you recall the reaction at
12:11:27 21 Apple to that?

12:11:28 22 MR. TUBACH: Vague and ambiguous.

12:11:30 23 THE WITNESS: I do.

12:11:31 24 MR. SAVERI: Q. And what was it?

12:11:33 25 A. I can't believe they're doing it. Because Jon

01:59:29 1 A. Achim.

01:59:29 2 Q. How do you pronounce Achim's last name?

01:59:33 3 A. Pantofoerder.

01:59:34 4 Q. Pantofoerder. Did he work in that group as
01:59:36 5 well?

01:59:36 6 A. Yes.

01:59:37 7 Q. And Cong worked for you, right?

01:59:38 8 A. Yes.

01:59:39 9 Q. As a recruiter?

01:59:39 10 A. Yes.

01:59:40 11 Q. Now, he wrote, "Moto is either going to walk
01:59:46 12 him out or come down strong with a counter." Do you see
01:59:49 13 that?

01:59:49 14 A. Yes.

01:59:50 15 Q. And when Mr. Cong wrote, "walk him out," did
01:59:53 16 you understand him to mean -- well, let me just ask you,
01:59:58 17 what did you understand Mr. Cong to mean when he wrote
02:00:02 18 "walk him out"?

02:00:04 19 A. Well, so when candidates give their two weeks'
02:00:06 20 notice, sometimes, depending on where they're going, as
02:00:09 21 we discussed earlier, that it's not a place they feel
02:00:13 22 comfortable them sticking around for two weeks when
02:00:16 23 they're going to a competitor, so they will escort them
02:00:19 24 out of employment with the company right then and there.

02:00:24 25 Q. When you say "escort," that means that they

02:00:29 1 didn't leave unattended, right?

02:00:32 2 A. Correct. That's an assumption. That's a term,
02:00:34 3 "walking out," is grab your stuff, let's go.

02:00:39 4 Q. So it was more of an order than a request,
02:00:42 5 correct?

02:00:43 6 A. Uh-huh.

02:00:44 7 MR. TUBACH: Are you talking about generally or
02:00:45 8 are you talking about this Motorola HR --

02:00:47 9 MR. SAVERI: Q. When you read this, what
02:00:49 10 you understand him to mean by walking someone out.

02:00:53 11 A. That's what the term means, is your employment
02:00:55 12 is done, we don't want you to stick around for the two
02:00:58 13 weeks' notice that you gave, or whatever notice that you
02:01:00 14 gave.

02:01:01 15 Q. And sometimes people who are walked out are
02:01:04 16 escorted by security, right?

02:01:06 17 MR. TUBACH: Lacks foundation.

02:01:06 18 THE WITNESS: I don't know.

02:01:07 19 MR. SAVERI: Q. Well, did -- when Mr. Cong
02:01:11 20 wrote, "come down strong with a counter," what did
02:01:14 21 you understand him to mean there?

02:01:16 22 A. A counteroffer to stay.

02:01:18 23 Q. So did you understand that Mr. Cong was saying
02:01:26 24 that Motorola might walk this candidate out or respond
02:01:34 25 to Apple's offer with a counteroffer?

02:01:38 1 A. Correct. Not necessarily in that order.
02:01:42 2 Sometimes what you do is you try to keep your employee.
02:01:46 3 Might be in terms of a counteroffer, which might be
02:01:49 4 title, money, stock, some promises. And sometimes that
02:01:55 5 doesn't work out, and they're like, no, I'm going
02:01:59 6 anyway, and that's when it goes into walking them out.

02:02:02 7 Q. Usually makes sense to do them in that order,
02:02:04 8 right?

02:02:05 9 A. Yes.

02:02:20 10 Q. Did it happen from time to time that candidates
02:02:26 11 that Apple recruited through cold calls, to whom Apple
02:02:33 12 eventually made a job offer, sometimes stayed with their
02:02:36 13 current employers because the current employer made a
02:02:39 14 counteroffer?

02:02:41 15 A. I can't -- I don't know if as far as from that
02:02:44 16 exact source of cold calling, but over my employment at
02:02:48 17 Apple, that happened several times at different stages
02:02:53 18 where from acceptance to giving notice to, you know,
02:02:57 19 that they would go back with their employer or stay with
02:03:01 20 their employer.

02:03:04 21 Q. And from time to time, did the counteroffers
02:03:10 22 that candidates that Apple recruited receive from their
02:03:19 23 current employers include increased compensation?

02:03:22 24 MR. TUBACH: Lacks foundation. Calls for
02:03:22 25 speculation.

02:03:25 1 THE WITNESS: I'm not sure. I mean, it was --
02:03:28 2 there were -- there was several -- in general, there are
02:03:32 3 several aspects to it. Increased compensation, title,
02:03:38 4 different projects, whatever is not making them happy,
02:03:42 5 hopefully they could fix to stay, and that might be one
02:03:46 6 of those factors.

02:03:47 7 MR. SAVERI: Q. So is it fair to say that
02:03:54 8 sometimes Apple was unsuccessful in recruiting a
02:03:58 9 candidate because the candidate's current employer
02:04:01 10 made a counteroffer that the candidate preferred?

02:04:08 11 MR. TUBACH: Lacks foundation.

02:04:09 12 THE WITNESS: Yes.

02:04:10 13 MR. SAVERI: Q. And did the candidates who
02:04:14 14 stayed tell you at Apple, from time to time, what
02:04:20 15 the counteroffer was and why they stayed?

02:04:24 16 A. We would probe into that, yes.

02:04:27 17 Q. And from time to time, did, in response to
02:04:31 18 those questions, did the candidate tell you, for
02:04:35 19 example, well, they gave me a promotion?

02:04:40 20 A. Uh-huh.

02:04:41 21 Q. Or they changed my job duties in a way that I
02:04:44 22 liked?

02:04:46 23 A. Those were some of the reasons, yes.

02:04:48 24 Q. And sometimes they would raise their
02:04:51 25 compensation?

02:04:52 1 A. Yes.

02:04:53 2 Q. And sometimes it would be a combination of
02:04:55 3 those things?

02:04:56 4 A. Yes.

02:04:56 5 Q. And sometimes a combination of those things and
02:05:01 6 other improvements to their job situation?

02:05:04 7 A. Correct.

02:05:20 8 (Whereupon, Exhibit 1026 was marked for
02:05:20 9 identification.)

02:05:20 10 MR. SAVERI: Q. Exhibit 1026. Do you have
02:05:35 11 that in front of you?

02:05:36 12 A. Yes.

02:05:38 13 Q. This document is an email, looks like it's all
02:05:46 14 an email, with the Bates No. 231APPLE061813 through 817.
02:05:53 15 Do you have that in front of you?

02:05:54 16 A. Yes.

02:05:55 17 Q. Would you take a moment to review it, please.

02:06:00 18 A. Yes.

02:06:04 19 Q. Some of it you'll recognize as part of -- some
02:06:06 20 of this you will recognize as the previous document.

02:06:09 21 A. Yep.

02:06:48 22 Okay.

02:06:51 23 Q. Do you recognize this document?

02:06:52 24 A. Yes.

02:06:53 25 Q. Could you tell me what it is, please.

02:06:55 1 A. It's the same document from Jose Cong, passing
02:06:59 2 along to Dani Lambert and my direct boss, Ed Sermone,
02:07:07 3 about this candidate, about the situation that after
02:07:13 4 giving notice, what heat, as they said, what -- from the
02:07:20 5 candidate -- the Motorola candidate is getting from
02:07:23 6 Motorola for, you know, giving notice, saying that he's
02:07:26 7 going to Apple, and them really probing him further than
02:07:30 8 the normal candidate giving notice. So....

02:07:34 9 Q. Now, did you write the email to Ed Sermone on
02:07:39 10 the 28th of October 2005 as indicated here?

02:07:43 11 A. To Dani Lambert, cc'ing Ed, yes.

02:07:47 12 Q. Okay. Now -- and at this time, was Ed Sermone
02:07:51 13 your direct boss?

02:07:52 14 A. Correct.

02:07:53 15 Q. And was Dani Lambert Ed Sermone's boss?

02:07:57 16 A. Yes.

02:07:58 17 Q. Why did you write this to Dani Lambert?

02:08:01 18 A. Because Dani was the one that told me about the
02:08:03 19 agreement. And as referenced in this, when Dani told me
02:08:11 20 about this agreement, that we told Dani about this
02:08:18 21 candidate we were already in discussions with before the
02:08:21 22 agreement, and for her to ask Steve Jobs if it was okay
02:08:24 23 for us to pursue and he gave that blessing. Now this is
02:08:27 24 the aftermath of it. Of the person accepting, giving
02:08:31 25 notice.

02:10:17 1 Q. Now, you also write that Jose -- that's Jose
02:10:19 2 Cong, right?

02:10:21 3 A. Yes.

02:10:21 4 Q. -- also got a call back from a -- looks like
02:10:25 5 senior Moto engineer -- is that what that means?

02:10:30 6 A. Yes.

02:10:30 7 Q. -- a day after the hands off. Do you see that?

02:10:32 8 A. Yes.

02:10:34 9 Q. Does that mean that, in sequence, Steve Jobs
02:10:37 10 and Motorola made the agreement?

02:10:39 11 A. Yes.

02:10:40 12 Q. And then the next day, Jose Cong got a call
02:10:46 13 back from someone at Motorola; is that correct?

02:10:47 14 A. From calling efforts previous to the agreement,
02:10:50 15 he got a call back after the agreement.

02:10:52 16 Q. So this was a candidate that had -- that Apple
02:10:55 17 had contacted at Motorola before the Jobs-Motorola
02:11:00 18 agreement?

02:11:00 19 A. Yes.

02:11:00 20 Q. And this is a different guy than the one that
02:11:03 21 Jobs had specifically approved?

02:11:07 22 A. Correct.

02:11:11 23 Q. And then did Jose Cong tell you this?

02:11:22 24 A. Yes.

02:11:24 25 MR. TUBACH: When you say "this," you mean

02:11:32 1 what's reflected in the email?

02:11:33 2 MR. SAVERI: Q. Let me ask you, did Jose
02:11:35 3 Cong tell you that the senior Motorola engineer told
02:11:38 4 him that Apple couldn't recruit him?

02:11:41 5 A. He told me everything listed in this email,
02:11:43 6 yes.

02:11:46 7 Q. And did Jose Cong tell you that this senior
02:11:51 8 Motorola engineer said "I know"?

02:11:55 9 A. Yes.

02:11:56 10 Q. And did that -- did Jose Cong tell you that the
02:12:00 11 Motorola engineer told him that the Motorola management
02:12:05 12 was telling their key folks about the hands-off rule?

02:12:09 13 A. Well, he asked how did he know. And he said,
02:12:13 14 well, Motorola manager told us about the agreement.

02:12:17 15 Q. And were you surprised when Mr. Cong told you
02:12:20 16 that?

02:12:20 17 A. Yes.

02:12:21 18 Q. Why?

02:12:27 19 A. When these agreements happen, they'll tell
02:12:29 20 recruiting, but they won't tell the masses of Apple
02:12:33 21 employees that they have these agreements because it's
02:12:37 22 more about recruiting, you know, cold calling in.
02:12:41 23 And -- but for Motorola to go to their engineering staff
02:12:44 24 and tell them they have this agreement is a sign of
02:12:47 25 weakness that they are scared that they're going to get

02:12:52 1 recruited away by Apple people or Apple recruiters.

02:12:56 2 So it's almost warning them in a way, but it's

02:13:00 3 a -- I thought it was a sign of being scared.

02:13:04 4 Q. Well, if these companies had these -- if a

02:13:10 5 company had this kind of agreement with Apple, why

02:13:13 6 wouldn't it tell its employees that they had this

02:13:16 7 agreement?

02:13:17 8 MR. TUBACH: Asked and answered.

02:13:21 9 THE WITNESS: As I mentioned before.

02:13:24 10 MR. SAVERI: Q. Well, isn't the best way

02:13:26 11 to make sure that the agreement is in force to tell

02:13:30 12 their employees that the agreement exists?

02:13:33 13 MR. TUBACH: Calls for speculation.

02:13:35 14 THE WITNESS: If somebody told me that, I

02:13:37 15 would -- if they told me that and I wasn't in

02:13:41 16 recruiting -- management told me that and I wasn't in

02:13:43 17 recruiting, I would think they're scared that we're all

02:13:47 18 going to leave and go to that other company.

02:14:48 19 MR. SAVERI: Q. Did Apple ever tell its

02:14:55 20 employees, outside the group of recruiters, that it

02:15:01 21 had reached agreements with other companies that

02:15:05 22 those companies wouldn't cold call Apple?

02:15:08 23 A. Not to my knowledge.

02:15:10 24 Q. And it's your -- it's your belief that if Apple

02:15:18 25 had done so, that would have indicated that Apple was

02:15:22 1 scared that people might, in fact, leave?

02:15:25 2 MR. TUBACH: Calls for speculation. Lacks
02:15:25 3 foundation.

02:15:26 4 THE WITNESS: That's my opinion.

02:15:28 5 MR. SAVERI: Q. Okay. Did the -- at this
02:15:34 6 time, did you have any concern about whether the
02:15:44 7 agreement between Apple and Motorola was ethical?

02:15:49 8 A. No.

02:15:50 9 Q. Did you have any concern about whether or not
02:15:53 10 the agreement between Apple and Motorola was legal?

02:15:58 11 A. No.

02:16:00 12 Q. Did you ever discuss the subject of whether or
02:16:03 13 not these agreements were legal with anybody at Apple?

02:16:07 14 A. No.

02:16:50 15 Q. Did Dani Lambert ever tell you to keep the
02:16:52 16 agreement between Jobs and Motorola a secret?

02:16:55 17 A. No.

02:17:01 18 Q. Did Mark Bentley ever tell you to keep the
02:17:06 19 identity of companies on the hands-off list a secret?

02:17:09 20 A. No.

02:17:13 21 MR. TUBACH: We've been going a little over an
02:17:15 22 hour. You want to take a break?

02:17:16 23 MR. SAVERI: Whenever you want. Sure.

02:17:17 24 MR. TUBACH: Let's do that.

02:17:19 25 THE VIDEOGRAHER: This is the end of video

02:34:37 1 A. Not in this email, no.

02:34:39 2 Q. Well, down at the bottom you say --

02:34:41 3 A. Oh, I'm sorry.

02:34:41 4 Q. -- "We have LOTS of people from Moto" --

02:34:43 5 A. Oh, yes. Yeah.

02:34:43 6 Q. -- "so let me know if the agreement can be

02:34:45 7 called off, or if you need more info before asking SJ."

02:34:50 8 A. Yes.

02:34:50 9 Q. And when you wrote SJ, you meant Steve Jobs?

02:34:50 10 A. Yes.

02:34:50 11 Q. So you understood at the time --

02:34:50 12 (Reporter clarification.)

02:34:58 13 MR. SAVERI: Q. So when you wrote this,

02:34:59 14 when you referred to SJ, you referred to Steve Jobs,

02:35:02 15 correct?

02:35:03 16 A. Yes.

02:35:04 17 Q. And when you wrote this to Dani Lambert, did

02:35:06 18 you understand that she needed to go to Steve Jobs to

02:35:09 19 discuss what to do next?

02:35:11 20 A. Yes.

02:35:13 21 Q. And then subsequently you heard back from Dani

02:35:15 22 Lambert, correct?

02:35:16 23 A. Correct.

02:35:17 24 Q. And she told you, "You have clearance to take

02:35:20 25 the handcuffs off and recruit from Motorola"?

02:35:24 1 A. Correct.

02:35:26 2 Q. Did you understand, when you received that,
02:35:27 3 that she, in fact, had spoken to Steve Jobs about that?

02:35:31 4 A. It was an assumption.

02:35:35 5 Q. You assumed that?

02:35:36 6 A. Yes.

02:35:37 7 Q. And then she says, "Don't rape and pillage."
02:35:41 8 Do you see that?

02:35:42 9 A. Yes.

02:35:42 10 Q. What did understand her to mean by that?

02:35:45 11 MR. TUBACH: Calls for speculation.

02:35:46 12 THE WITNESS: That that was a term that several
02:35:48 13 of us had used, which was don't go in there guns
02:35:53 14 blazing, rape and pillage, which is, again, just calling
02:35:58 15 through groups, you know, immediately, and causing alarm
02:36:00 16 to Motorola management. Go in there strategically, go
02:36:06 17 after the right people, you know, spread it out. That
02:36:08 18 sort of thing.

02:36:09 19 MR. SAVERI: Q. Be sensitive?

02:36:11 20 A. Yes.

02:36:13 21 Q. Okay.

02:36:18 22 (Whereupon, Exhibit 1028 was marked for
02:36:18 23 identification.)

02:36:29 24 MR. SAVERI: Q. Do you know if Dani
02:36:31 25 Lambert spoke with Steve Jobs or communicated to him

02:36:34 1 in writing?

02:36:35 2 A. I don't know either.

02:36:36 3 Q. And other than that communication from her, the
02:36:41 4 email, did you receive any other permission --

02:36:44 5 A. No.

02:36:44 6 Q. -- from her description of her conversations
02:36:46 7 with Jobs?

02:36:47 8 A. No. Not that I remember.

02:36:50 9 Q. Let me just hand you briefly what's marked as
02:36:53 10 Exhibit 1028. And this is -- Exhibit 1028 has the Bates
02:37:10 11 Nos. 231APPLE095728 to 730.

02:37:19 12 And you can take what time you need to look at
02:37:22 13 it, but the only question I have for you is, did you --
02:37:27 14 did you see any of this communication before Dani
02:37:33 15 Lambert wrote the top of the email to you which was in
02:37:38 16 Exhibit 1027?

02:37:39 17 A. No.

02:37:40 18 Q. Okay. You could put that aside.

02:37:54 19 (Whereupon, Exhibit 1029 was marked for
02:37:54 20 identification.)

02:38:02 21 MR. SAVERI: Q. Exhibit 1029 is another
02:38:41 22 email, 231APPLE095728 to 730. Again, you can
02:38:48 23 take -- wait. I'm sorry. I mislabeled that.

02:38:58 24 THE WITNESS: I have Exhibit 1029.

02:39:00 25 MR. TUBACH: Exhibit 1029 is Exhibit 1028, but

05:28:46 1 Q. And then there are a couple of attachments that
05:28:48 2 I want to ask you about. Okay?

05:29:09 3 A. Okay.

05:29:16 4 Q. First, just for foundational purposes, you were
05:29:21 5 a -- were you a recipient of emails to the staffing
05:29:25 6 department email group that's listed here?

05:29:30 7 A. Yes.

05:29:31 8 Q. Okay. And Ms. Montesino, in her email, refers
05:29:35 9 to something called the Staffing Wiki. Do you see that?

05:29:39 10 A. Yes.

05:29:40 11 Q. What was the Staffing Wiki?

05:29:44 12 A. It is a centralized website for information
05:29:49 13 with password protected for certain people to have
05:29:52 14 access to it and this was the staffing management.

05:29:57 15 Q. Did you have access to it?

05:29:58 16 A. Yes.

05:29:58 17 Q. And from time to time, did you use the
05:29:59 18 information on the wiki for purposes of doing your job?

05:30:04 19 A. Very rarely.

05:30:05 20 Q. Okay. What information on that did you use?

05:30:09 21 A. I rarely used it.

05:30:11 22 Q. Okay. There is something -- she also refers to
05:30:13 23 something called a Functional Job Matrix and leveling
05:30:15 24 guides. Do you see that?

05:30:18 25 A. Uh-huh.

05:30:18 1 Q. Are those two things or one thing?

05:30:27 2 A. I'm not familiar with those terms.

05:30:30 3 Q. Okay.

05:30:32 4 A. Job matrix. Yeah, I'm not familiar with those
05:30:45 5 terms.

05:30:45 6 Q. So you don't know what a -- what she meant when
05:30:47 7 she referred to a Functional Job Matrix?

05:30:54 8 MR. TUBACH: Asked and answered.

05:30:54 9 THE WITNESS: Not directly, no.

05:30:55 10 MR. SAVERI: Q. And do you know what a
05:30:56 11 leveling guide is?

05:30:58 12 A. No.

05:30:59 13 Q. Did -- are you familiar with the term or the
05:31:09 14 concept of job leveling with respect to salary
05:31:11 15 structures?

05:31:18 16 A. Job leveling. Job leveling -- job levels are
05:31:21 17 the particular engineer, one, two, three, four, five,
05:31:25 18 six, sort of thing, for example, and then each one of
05:31:28 19 those has a salary range. So from that perspective,
05:31:31 20 yes.

05:31:33 21 Q. Now, Mr. Bentley, in his email, looks like he's
05:31:45 22 attaching two documents, one called a US
05:31:49 23 BaseSalary_Structure and one that has to do with RSUs
05:31:55 24 for fiscal year '09 new hire stock. Do you see that?

05:32:02 25 A. Uh-huh.

05:32:02 1 Q. Let's look at the attachments. Let me ask you
05:32:04 2 a couple questions about them.

05:32:05 3 First, let's focus on the Base Salary
05:32:08 4 Structures.

05:32:12 5 A. Which one is that?

05:32:13 6 Q. It looks like it's -- begins on APPLE009282.

05:32:18 7 A. Yep.

05:32:19 8 Q. First of all, do you know what these charts
05:32:21 9 are?

05:32:22 10 A. Yes.

05:32:22 11 Q. What are they?

05:32:23 12 A. They are -- the job codes or these job
05:32:28 13 numbers --

05:32:28 14 Q. Right.

05:32:28 15 A. -- those relate to particular job codes. And
05:32:38 16 in Merlin, which is our internal HRS, there was a
05:32:43 17 correlating job title that went along with job codes in
05:32:46 18 particular groups.

05:32:47 19 Q. Did you use these Base Salary Structures for
05:32:52 20 when you were doing your recruiting or sourcing?

05:32:54 21 MR. TUBACH: At this time you mean?

05:32:55 22 MR. SAVERI: Yeah.

05:32:56 23 THE WITNESS: I'm sorry, what?

05:32:57 24 MR. TUBACH: Sorry.

05:32:58 25 Go ahead.

05:32:59 1 THE WITNESS: Not in recruiting or sourcing,
05:33:00 2 no.

05:33:01 3 MR. SAVERI: Q. Well, did you use these,
05:33:04 4 either these Base Salary Structures tables or
05:33:08 5 previous versions of these in your job?

05:33:12 6 A. Yes. To make offers.

05:33:14 7 Q. Okay. And how would you use them to make
05:33:16 8 offers? Or how did you use them to make offers?

05:33:20 9 A. Mostly, there is kind of two steps. You would
05:33:25 10 compare the candidate you were looking to to other
05:33:29 11 people on the team to figure out what level they would
05:33:34 12 be coming in at. And that was mostly to figure out what
05:33:38 13 level stock. But who we compared it to was the biggest
05:33:42 14 determining factor on what salary we gave. And then see
05:33:46 15 if it -- what -- what salary was matching up with the
05:33:52 16 levels and the position in the level.

05:33:54 17 Q. So is it fair to say when you made offers to
05:33:59 18 particular candidates, you used these -- you used
05:34:03 19 information like this regarding base salary structures
05:34:07 20 in order to determine what job title a person would be
05:34:12 21 offered and the range of salary that would apply to that
05:34:16 22 person?

05:34:18 23 A. Say that again. I'm sorry.

05:34:20 24 MR. TUBACH: Misstates prior testimony. Vague
05:34:21 25 and ambiguous.

05:34:23 1 MR. SAVERI: Q. Let me break it up into
05:34:23 2 pieces. I think you said you used either this table
05:34:26 3 or other versions of this table when you were making
05:34:30 4 offers to candidates, correct?

05:34:32 5 MR. TUBACH: Misstates prior testimony.

05:34:34 6 THE WITNESS: It was a portion of it, yes.

05:34:37 7 MR. SAVERI: Q. Okay. And --

05:34:39 8 A. Or this information that was in the HRS system.
05:34:42 9 I didn't always have to pull out these tables. Yes.

05:34:45 10 Q. Okay. But is it fair to say that there was
05:34:49 11 information like this available in paper form or in
05:34:53 12 electronic form that you had access to?

05:34:56 13 A. They're embedded within the HRS system, yes.

05:34:59 14 Q. When you say the HRS system, what's that?

05:35:02 15 A. It's our human resources information system.
05:35:07 16 So we had our homegrown kind of a PeopleSoft or SAP or
05:35:10 17 Oracle sort of thing. We had our homegrown, so when we
05:35:13 18 opened a position within the Merlin, we would open it
05:35:16 19 up, say, at a level two and a level three, and each one
05:35:19 20 of those had a salary range that went with that.

05:35:22 21 So when we were doing that, I didn't
05:35:24 22 necessarily -- that's a system that we dealt with daily,
05:35:27 23 so I didn't necessarily need to bring out a paper
05:35:30 24 version.

05:35:31 25 Q. Fair enough.

05:35:32 1 A. And these don't relate to any recruiting I did.

05:35:35 2 I don't know what these were for.

05:35:37 3 Q. Okay. We talked earlier today about something
05:35:40 4 called a system title?

05:35:42 5 A. Yes.

05:35:43 6 Q. Are these codes or these job codes equivalent
05:35:47 7 to system titles or is this something else?

05:35:49 8 A. They -- they equate. There is -- each system
05:35:53 9 title has a job code that matches to one of these, yes.

05:35:56 10 Q. When you say job code, do you mean these codes
05:35:59 11 that are in the job column --

05:36:00 12 A. Yes.

05:36:00 13 Q. -- of these tables?

05:36:02 14 A. Yes.

05:36:03 15 Q. And is it fair to say that everybody who worked
05:36:04 16 for Apple was assigned to one of these job codes or job
05:36:08 17 titles?

05:36:09 18 A. Some sort of job code and title, yes.

05:36:12 19 Q. And for each of those, was there a salary range
05:36:16 20 established in the HRS system?

05:36:19 21 A. Yes.

05:36:21 22 Q. And was the base compensation for each person
05:36:30 23 within a particular job code somewhere between the
05:36:36 24 minimum and maximum of that range?

05:36:38 25 A. For the most part, there were exceptions where

05:36:42 1 somebody would be not, you know, because it wasn't just
05:36:46 2 salary, it was some definitions of skill set and
05:36:51 3 different things that maybe -- that would be required or
05:36:57 4 define you to get to the next level.

05:36:59 5 And if they -- yes, their salary was bucking
05:37:01 6 up, you know, maybe over the range of the current one,
05:37:04 7 but they just weren't skill-wise or personality-wise or
05:37:09 8 different things ready for that next level, they would
05:37:13 9 keep them in there. And sometimes they would be outside
05:37:14 10 of that range.

05:37:16 11 Q. So would you agree with me that it was
05:37:18 12 generally true that each person was assigned to a job
05:37:21 13 title or job code and their base salary was within the
05:37:26 14 range established for that code or title?

05:37:29 15 A. Yes.

05:37:29 16 Q. And at the margins there were some exceptions?

05:37:33 17 A. Correct.

05:37:34 18 Q. Was there someone who organizationally had
05:37:37 19 authority to approve those exceptions?

05:37:41 20 A. There was a multitude of people. Basically,
05:37:44 21 the business head, someone like Tony Fadell, and then
05:37:48 22 the human resources person for that division usually had
05:37:50 23 a good say in it.

05:37:52 24 Q. Well, I mean, for example, if you found a
05:37:54 25 candidate that fit within a job -- a particular job

05:37:56 1 title and you thought the salary, because of some
05:38:03 2 discrepancy between that person's skill set and that of
05:38:06 3 the job needed to be outside the range that was
05:38:10 4 established, could you decide that or did you need
05:38:14 5 someone to approve an exception to the ranges?

05:38:16 6 A. All offers were approved by a number of people
05:38:19 7 in the approval chain, including Tony Fadell. So it was
05:38:23 8 not my approval. And it was really rare to bring
05:38:28 9 someone in off the street above a range. It was -- that
05:38:33 10 was more of an anomaly that happened internally.

05:38:38 11 Q. Did Apple, from time to time, acquire
05:38:39 12 companies?

05:38:40 13 A. Very rare.

05:38:43 14 Q. Do you -- do you know, or can you describe for
05:38:51 15 me, the process of how people who were working for
05:38:55 16 companies that were acquired -- let me ask you a better
05:39:06 17 question.

05:39:07 18 Do you know how employees of acquired companies
05:39:11 19 were incorporated into this salary structure?

05:39:15 20 MR. TUBACH: Lacks foundation.

05:39:17 21 THE WITNESS: I don't know, just because I was
05:39:18 22 never involved in it.

05:39:19 23 MR. SAVERI: Q. And it wasn't something
05:39:20 24 that you were responsible for?

05:39:22 25 A. It was -- if an acquisition happened in your

05:39:25 1 line of business, then you would run with it and be
05:39:28 2 involved with it. Just my groups never did it.

05:39:48 3 (Whereupon, Exhibit 1047 was marked for
05:39:48 4 identification.)

05:39:52 5 THE WITNESS: Are we done with this one?

05:39:54 6 MR. SAVERI: Yeah, I am. Thank you.

05:39:58 7 I didn't make any copies of this.

05:40:03 8 I've handed --

05:40:04 9 MR. TUBACH: This is the document we produced
05:40:06 10 today?

05:40:06 11 MR. SAVERI: Yeah. Let me do this and try to
05:40:08 12 finish it up.

05:40:09 13 Q. I've handed you Exhibit 1047.

05:40:10 14 A. Yes.

05:40:11 15 Q. Can you tell me what that is.

05:40:12 16 A. My offer letter of employment to join Apple.

05:40:17 17 Q. And that's a true and correct copy of your
05:40:19 18 employment letter?

05:40:19 19 A. Yes.

05:40:20 20 Q. When you left the company, did you sign any
05:40:22 21 agreement with the company?

05:40:23 22 A. No.

05:40:25 23 Q. Are you -- do you have any ongoing business
05:40:31 24 relationship with Apple?

05:40:33 25 A. Define business relationship.

1 I, Gina V. Carbone, Certified Shorthand
2 Reporter licensed in the State of California, License
3 No. 8249, hereby certify that the deponent was by me
4 first duly sworn and the foregoing testimony was
5 reported by me and was thereafter transcribed with
6 computer-aided transcription; that the foregoing is a
7 full, complete, and true record of said proceedings.

8 I further certify that I am not of counsel or
9 attorney for either of any of the parties in the
10 foregoing proceeding and caption named or in any way
11 interested in the outcome of the cause in said caption.

12 The dismantling, unsealing, or unbinding of
13 the original transcript will render the reporter's
14 certificates null and void.

15 In witness whereof, I have hereunto set my
16 hand this day: March 11, 2013.

17 _____ Reading and Signing was requested.

18 _____ Reading and Signing was waived.

19 ___X___ Reading and signing was not requested.

20

21

22

23

GINA V. CARBONE

24

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